GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4101
ANSWERED ON:18.04.2002
COMPLAINT AGAINST LIIOYDS USHA ISPAT AND PHARMA
SHIVAJI VITHALRAO KAMBLE

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government have received any complaint about the default on refund of debenture proceeds and interest thereon by Liioyds, Usha Ispat and Pharma;

(b) if so, the details regarding total amount in default and the number of small investors affected thereby;

(c) the details of action taken against the management of these companies;

(d) the present status of action taken; and

(e) the punishment proposed for the Financial fraud committed by companies on public?

Answer

MINISTER OF LAW, JUCTICE & COMPANY AFFAIR (SHRI ARUN JAITLEY)

(a) to (e) : Section 117B (4) and 117C (4) & (5) of the Companies Act,1956 enable to debenture trustees and debenture holders to move Company Law Board in case there is a default on refund of debenture proceeds and interest thereon.So far, no complaint has been received by the Company Law Board in respect of Liioyds, Usha Ispat and Pharma for non-payment of debenture amount and interest thereon.